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A NATIONAL BUDGET.*

BY HARVEY S. CHASE, S.B., C.P.A.

It must be remembered in discussions concerning the national budget that there are, necessarily, two viewpoints which are quite distinct. One of these is the *inside* viewpoint and the other is the *outside*. One is the viewpoint of Congress and of the executive departments; the other is that of the intelligent citizen and of the economist interested in governmental finance.

Both viewpoints must be provided for in a complete national budget. The first requires that the "estimates" (proposed expenditures) shall be classified according to *units of organization*, *i. e.*, the departments, divisions, and establishments which are to spend the appropriations. The second requires that the estimates be classified according to *purposes* of expenditure (*functions* of government), irrespective of the title of the department or division which is to spend the money.

The great difficulty heretofore in budget consideration has been the attempt to condense these two viewpoints into one, and to set up only a single classification. With such a classification, if arranged by organization units, the outsider (citizen, or economist), can get little information concerning expenditure for *purposes*. If, on the other hand, the classification is made according to purposes and functions, than the average congressman is likely to claim that he can not make head or tail out of it so far as appropriations and legislative requirements are concerned.

This situation being acknowledged and the reasons for it perceived, it becomes evident that the budget compiler should provide *both* classifications, that is to say, the same total figures should be arranged in two detailed systems, one for the insider and the other for the outsider. Such double classifications are provided herein.

* Based upon the Estimates for the new Fiscal Year (1915) beginning July 1, 1914, which were submitted to Congress by the Secretary of the Treasury, December 1, 1913.

As the present statement is intended to illustrate the needs of the outside intelligent citizen rather than that of the inside official of the government, I have placed the functional analysis first and the organization analysis second.

THE RELATIONSHIP BETWEEN "REVENUE" AND EXPENDITURE."

All government expenditure must ultimately be met by revenue and by revenue only. The issuance of bonds or other evidences of debt is merely a temporary expedient—in sound financing—and the payment of these debts must come from *revenue*, *i. e.*, from surplus revenue devoted specifically to this purpose.

All nations with responsible ministries provide revenues for their respective governments by means of budgets. The finance minister prepares estimates of the needed expenditure in summary and in detail. He submits these estimates to the legislative body or bodies, together with estimates of revenue, also in summary and in detail. He balances these, one against the other, increasing taxes in number or in rate, if more revenue must be had; or cuts expenditure estimates if taxes cannot safely be increased—whether for political or economic reasons.

The central feature of the budget is this balance of revenue against expenditure. It is the primary necessity in nearly all national finance. It is the danger signal and the rallying point for the opposition to a party or a ministry.

In the United States, we have not had this fundamental requirement of national finance for many years, mainly because of the phenomenal growth of our wealth and our population, and because our taxes have been principally *indirect* taxes—custom duties, established for purposes of "protection." Revenue has not been dependent, therefore, upon expenditure, with corresponding direct taxation as in most other nations. On the contrary, revenue has been produced incidentally, as it were, and usually in excess of the amount needed for economical and efficient administration. Hence our extravagance as a nation; hence our public building bills; our rivers

and harbors' acts; our inefficient civil service, our "pork barrels," and our contempt for economies and economics.

This indirect revenue is one of the reasons why this country has never had a budget and yet has gone on from year to year growing ever more wealthy, ever more extravagant, and ever more contemptuous of budgetary requirements and of the financial methods of foreign nations. Now, in 1914, we are beginning to be pulled up with a round turn. Now, with our tariff reforms and our income taxes, we are departing sharply from the ways of the fathers. Moreover, in our private business competitions, we hear and join in the slogan of "efficiency," which tends to dominate the activities of business of the present day. It is creeping into governmental methods likewise; into our cities and our states,—witness "commission government" in cities, and note "university extension" in state affairs; into our national departments—witness the demand for cost accounting and for uniform classifications of expenditures. What do these developments mean? What do they portend? Evidently an approach to a closer balance between revenue and expenditure, to an increased attention to this relationship, and to a sharper critical demand for efficiency—which necessarily includes economy—in government expenditure. In other words, it portends the approach of the budget and budgetary methods in national finance in this country, as in other countries.

THE FIRST STEP.

The first step must necessarily be the broadest step, if not the highest. This step is outlined in the exhibits and explanations which follow. This step is practicable, and should be taken promptly. To illustrate it, suppose that the President is about to submit to Congress and to the public his annual message at the beginning of the session. He has, we will say, adopted the budget idea and has prepared a message supported by tables of figures based upon estimates of proposed expenditures and estimates of expected revenues furnished to him by his cabinet officers and the heads of the government establishments. These estimates have been prepared in two ways. First, in the ordinary way, as required by present legislation.

Secondly, in a new way, arranged in logical order and intelligible sequence, grouped by purposes or functions of government, and segregated by character of expenditure, whether for current expenses or for capital outlays and for subdivisions of each. The revenues, too, have been carefully calculated and compared with other years, due allowances have been made, non-revenue receipts eliminated, trust funds and trust income separated, all remaining revenue concisely classified, and the available total determined. The President, with the advice of his Cabinet—and probably with the assistance of a “central administrative accounting bureau”—has prepared these estimates of revenue and of expenditure in budgetary form. He has struck a balance. He has accepted the anticipated result, whether it be a surplus of revenue or a deficit. If the latter, he has considered methods of providing for the deficit. With these data before him, he constructs a budget as follows: He sets up the revenues by classes with explanations and a final total. He tabulates the proposed expenditures, classified as exhibited below. He first deducts from the total estimated revenue, the “fixed charges” which must be met without question—such as interest on public debt, definite debt redemptions, revenues required for trust fund liabilities, or other special funds, pension requirements, recurrent allowances for upkeep and maintenance of public buildings, grounds, parks, and the public domain generally. Having totalled these and deducted the total from the expected revenue, he next exhibits the necessary, perhaps unavoidable, expenditures for military and naval purposes, for continuation of engineering projects of great importance, and for similar requirements. The total of these is again subtracted from the remaining revenue and an amount of revenue is left which is available for less mandatory purposes. Concerning the expenditure of this portion of the revenue there may be considerable question and discussion.

Whether, for instance, more shall be spent for stimulation of agriculture, with less for promotion of commerce; whether less should be provided for the function of education and more for public health, or vice versa; whether or not labor and the laboring classes need additional promotion, or whether defect-

ives and dependents should be more liberally provided for. The wards of the nation, Indians and others, would be discussed and their necessities considered; our foreign relations, embassies and commercial attaches would have due attention; all the various functions and activities would have each its needful consideration from the general standpoint of its relative importance to all other expenditure and to the available revenue.

Such an analysis of the finances of the government, of the purposes and character of expenditure, and of the relations of the latter to the expected revenue would present a picture of supreme interest to every intelligent citizen in the country and one of the greatest importance in the efficient handling of financial problems by Congress.

It goes without saying that such an exhibit by the President at the opening of Congress would be intensely stimulating to the public, would awaken nation-wide interest, would provoke discussion and criticism, would flood the mail boxes of Congressmen with urgent appeals to increase here and to cut down there, and would open the eyes of the members themselves as to what could be done and what could not be done in the way of modification and change without upsetting the balanced relations of revenue and expenditure *in toto*.

RECOMENDATIONS BY FORMER PRESIDENT TAFT.

President Taft sent a budget message to Congress in February, 1913. In this message he said: "Under the Constitution, the power to control the purse is given to Congress. But the same paragraph also requires of the administration the submission of a regular statement and account of the receipts and expenditures." "The President shall, from time to time, give to the Congress information of the state of the Union and recommend to its consideration such measures as he shall judge necessary and expedient. Pursuant to these constitutional requirements, I am submitting estimates of revenues and expenditures in the form of a budget."

President Taft recommended in this message that appropriations should be enacted hereafter under four general classifications and that accounting for "expenditure" by the

departments and establishments should follow the same classifications, namely:

1. Appropriations for "operation," including administration.
2. Appropriations for "upkeep of property" (repairs, maintenance, and depreciation).
3. Appropriations for "fixed charges," including interest and redemption of the public debt.
4. Appropriations for "permanent improvements" (land, buildings, equipment, new construction, etc.).

In relation to these he advised that the first class should be provided by annual appropriations, ordinarily, though in many cases by biennial, triennial, or other less frequent appropriations; the second should be provided by "replacement funds," through permanent appropriations; the third by permanent appropriations, "recurrent," without further legislation; the fourth by permanent appropriations from which allotments may be made annually. Such allotments should be definitely provided from revenue or from bond issues, as may be specified. If the latter, the bonds should be retired on short terms by effective sinking-fund provisions, or by serial redemptions.

THE NEW AND IMPROVED TABLES.

The primary distinctions exhibited in Table I are five: (1) War purposes, (2) Civil purposes (other than postal), (3) Postal purposes, (4) General administrative purposes, (5) Local government purposes. The secondary distinction in each of these primary divisions is the separation into "operation and maintenance expenses," contrasted with "construction and improvement outlays." These are the titles of the first two columns in the following detailed exhibit, while the third column represents the totals of the first two columns. These columns set forth important information which has not been available heretofore in government estimates or publications. This separation is fundamentally necessary if comparisons with previous or subsequent years are to be made, or correct ideas obtained concerning extravagance or economy in the expenditure of public money.

TABLE I.

EXPENDITURES FOR THE FISCAL YEAR 1914-15—"ESTIMATES" OF APPROPRIATIONS,
CLASSIFIED BY PURPOSES OR FUNCTIONS.

	Operation and Maintenance Expenses.	Construction and Improvement Outlays.	Total Estimated Expenditures.
FOR WAR PURPOSES—Army, Navy, War Pensions, War Debts.			
<i>Current Charges. Annual Appropriations.¹</i>			
Defense by land (Military).....	\$100,249,712	\$14,379,198	\$114,628,910
Defense by sea (Naval).....	98,311,306	42,490,734	140,802,040
Administration: Secretary of War.....	148,040	.....	148,040
Adjutant-General's Office.....	730,570	.....	730,570
Quartermaster Corps.....	378,670	.....	378,670
Engineers and Insular affairs.....	208,581	.....	208,581
Other offices, War Department.....	456,598	.....	456,598
Administration: Secretary of the Navy.....	76,460	.....	76,460
Bureaus: Navigation, Intelligence, Records.....	108,790	.....	108,790
Bureaus: Engineering, Repairs, Yards and Docks.....	106,430	.....	106,430
Bureaus: Supplies, Accounts and other offices.....	304,660	.....	304,660
Operation and maintenance (§) of the State, War and Navy Building ¹	188,013	2,000	190,013
War pensions, retirements, veterans' homes, etc.....	186,674,527	23,424	186,697,951
	\$387,942,357	\$56,895,356	\$444,837,713
<i>Fixed Charges. Permanent Appropriations.⁷</i>			
Interest on war debts.....	13,000,000	.....	13,000,000
Sinking-fund provisions for war debts ⁴	37,000,000	.....	37,000,000
Trust funds, established by war requirement's	2,770,000	.....	2,770,000
Special funds and accts. for war purposes	5,574,477	.....	5,574,477
Total for War Purposes.....	\$446,286,834	\$56,895,356	\$503,182,190
FOR CIVIL PURPOSES—State, Interior, Agriculture, Commerce, Labor, Etc.			
<i>Current Charges. Annual Appropriations.⁷</i>			
Commerce, Banking, Etc.			
Promotion and regulation of commerce.....	\$3,578,305	.....	\$3,578,305
Promotion of transportation: ⁵			
Improvements of rivers and harbors.....	3,197,815	\$38,286,080	41,483,895
Lighthouses, life saving, roads, surveys, engineering, etc.....	12,484,004	2,679,700	15,163,704
Panama Canal.....	1,546,395	22,228,760	23,775,155
Regulation of currency, coinage, etc.....	5,862,452	.....	5,862,452
Regulation of banking.....	194,240	.....	194,240
Natural Resources, Agriculture, Etc.			
Promotion of agriculture ⁶	8,951,617	47,500	8,999,117
Promotion of forestry.....	5,390,741	477,590	5,868,331
Care and utilization of public lands.....	3,184,920	10,000	3,194,920
Promotion and regulation of mining, water power, etc.....	2,284,520	.....	2,284,520
Meteorological research, weather bureau, etc.	1,667,270	3,000	1,670,270
Promotion of fisheries.....	1,155,730	255,900	1,411,630
Welfare, Labor, Etc.			
Promotion of the welfare of the laboring classes and regulation of labor ⁶	4,068,250	812,200	4,880,250
Promotion of public health ⁵	4,087,062	104,700	4,191,762
Promotion of education and recreation ⁵	1,349,376	1,271,014	2,620,390
Provision for Indians and wards of the nation ⁶	9,295,715	1,635,400	10,931,115
Provision for defectives, dependents, etc.	1,565,349	455,000	2,020,349
Patents, Standards, Statistics, Etc.			
Patents and copyrights.....	1,626,300	.....	1,626,300
Statistical research, census, etc.....	1,709,720	.....	1,709,720
Standards of measurements, etc.....	837,175	395,000	1,232,175
Foreign Affairs and Dep't. Administration:			
Foreign affairs and relations ⁶	3,920,970	477,000	4,397,970

TABLE I—(Continued).

	Operation and Maintenance Expenses.	Construction and Improvement Outlays.	Estimated Expenditures.
Administration; Dep't of State.....	354,060	.....	354,060
" " " " Interior.....	634,040	.....	634,040
" " " " Agriculture.....	765,988	.....	765,988
" " " " Commerce.....	252,160	.....	252,160
" " " " Labor.....	183,040	.....	183,040
Operation and maintenance, (‡) State, War and Navy Building ¹	94,007	1,000	95,007
<i>Fixed Charges. Permanent Appropriations.⁷</i>			
Interest on bonds other than for war purposes.....	\$80,241,221	\$69,139,844	\$149,381,065
Sinking-fund provisions for other than war purposes ⁴	\$9,900,000	.....	\$9,900,000
Trust funds provisions for other than war purposes.....	23,717,000	.....	23,717,000
7,772,730	.....	.....	7,772,730
Special funds and accounts for other than war purposes:—Viz.:			
Promotion of transportation facilities:			
Operating canals.....	\$2,000,000	.....	\$2,000,000
Protection of navigable streams.....	2,000,000	.....	2,000,000
River and harbor improvements.....	.....	\$679,600	679,600
Roads and trails.....	.....	420,000	420,000
Promotion of Agriculture:			
Reclamation fund.....	.....	9,000,000	9,000,000
Colleges of agriculture and mechanic arts.....	2,500,000	.....	2,500,000
Experiment stations, etc.....	48,200	.....	48,200
Promotion of public health:			
Meat inspection, Bureau of Animal Industry.....	3,000,000	.....	3,000,000
Promotion of education, recreation, etc.:			
National forest fund.....	600,000	.....	600,000
2, 3, and 5 per cent. funds to States.....	225,000	.....	225,000
Maintenance national parks, etc.....	125,000	.....	125,000
Public schools, territories.....	100,000	.....	100,000
Education of blind, etc.....	11,000	.....	11,000
Care of Indians:			
Civilization of the Sioux.....	800,000	.....	800,000
Medium of exchange:			
National currency, contingent expenses, etc., etc.	280,000	.....	280,000
Foreign affairs:			
Pay of consular officers in transit.....	65,000	.....	65,000
Care of defectives:			
Indigent. Alaska.....	25,000	.....	25,000
Totals of special funds and accounts.....	\$11,779,200	\$10,099,600	\$21,878,800
Other permanent appropriations for other than war purposes.....	\$381,500	.....	\$381,500
Totals for Civil Purposes (except Postal).....	\$133,791,651	\$70,239,444	\$213,031,095
FOR POSTAL SERVICE.			
Postal service, payable from postal revenues			
Administration of Postmaster-General's Dep't.....	\$306,953,117	.....	\$306,953,117
Operation and maintenance of post offices, etc. ¹	1,850,000	.....	1,850,000
Totals for Postal Service ¹	\$308,803,117	.....	\$308,803,117

TABLE I—(Concluded).

	Operation and Maintenance Expenses.	Construction and Improvement Outlays.	Estimated Expenditures.
FOR GENERAL ADMINISTRATIVE PURPOSES—Legislative, Executive, Judicial, Etc.			
Covering requirements both for war and for civil purposes.			
<i>Current Charges. Annual Appropriations.¹</i>			
Legislative:			
The United States Senate.....	\$1,849,287	\$8,500	\$1,857,787
The House of Representatives.....	4,956,985		4,956,985
Judicial:			
The Supreme Court and other courts..	6,299,110		6,299,110
Executive:			
The President, Vice President and the executive offices.....	210,440		210,440
Civil Service Commission.....	450,165	5,000	455,165
Collection of the revenues, etc.—Treasury.....	17,247,650	125,000	17,372,650
General accounting and auditing—Treasury.....	1,752,080		1,752,080
Operation and maintenance of public buildings and grounds ²	8,098,412		8,098,412
Construction and improvement of buildings and grounds.....		6,302,584	6,302,584
Public printing, all departments.....	5,892,408	130,000	6,022,408
General Supply Committee ³	65,640		65,640
Reference and library purposes.....	465,585	127,000	592,585
Distribution of documents.....	318,275		318,275
Administration of Treasury Dep't.....	1,890,770		1,890,770
Administration of Dep't of Justice.....	777,711		777,711
Detection of crimes, legal advice, etc. (Justice).....	2,694,620		2,694,620
Total.....	\$52,969,138	\$6,698,084	\$59,667,222
<i>Fixed Charges. Permanent Appropriations.⁴</i>			
Revenue refunds, drawbacks, etc.....	\$8,470,000		\$8,470,000
Retired judges, Hawaiian judges, etc.....	175,500		175,500
Revenue Collection, night services.....	225,000		225,000
Totals for General Administration Purposes.....	\$61,839,638	\$6,698,084	\$68,537,722
FOR LOCAL GOVERNMENT PURPOSES.			
Territorial Governments.....	\$304,638		\$304,638
Philippine customs and internal revenue.....	321,000		321,000
District of Columbia.....	10,911,094	\$3,580,521	\$14,491,615
Militia, industrial schools, etc.....	10,400		10,400
Totals for Local Government Purposes.....	\$11,547,132	\$3,580,521	\$15,127,653
Grand Totals, All Purposes	\$962,268,372	\$146,413,405	\$1,108,681,777

¹ Operation and maintenance expenses of office building, rents, etc., are mainly included in item ¹ in "General Administrative Purposes," because these expenses can not be separated, under present methods of bookkeeping.

² This amount should be distributed in detail to the various departments and divisions.

³ Approximately one-half of this is offset by District of Columbia revenues.

⁴ Sinking-fund provisions are negligible; merely bookkeeping items having no actual existence. There are no securities and no cash in the so-called, "sinking fund."

⁵ See also additional estimates under "permanent appropriations."

⁶ Including Bureau of Naturalization, \$250,000.

⁷ These terms "annual" and "permanent" might be better stated "current" and "recurrent," as all appropriations are enacted annually by Congress, even though the amount is not fixed, (indefinite) or the time is not fixed (indeterminate).

Units of Organization, Departments, divisions, etc.	Permanent Annual Acts.	CLASSIFICATIONS BY (a) APPROPRIATION ACTS AND BY (b) UNITS OF ORGANIZATION								
		Legislative, Executive, and Judicial Act.	Sundry Civil Act.	Diplomatic and Consular Act.	Army Act.	Fortifica- tions Act.	Military Academy Act.	Naval Act.	Rivers and Harbors Act.	Pension Act.
<i>Legislative:</i>										
U. S. Senate.....		\$1,897,788								
House of Representatives.....		4,954,955								
Library of Congress.....	\$800.00	635,165								
Botanic Gardens.....		12,294	87,000							
<i>Executive:</i>										
President and Vice-President.....		135,440	25,000							
Civil Service Commission.....		414,540								
Department of State.....	171,000	354,000	\$4,447,043							
Treasury Department.....	92,943,000	12,537,497	36,903,550							
Government in Territories.....	53,000	207,158								
State, War and Navy Building.....		245,020								
War Department.....	9,317,650	1,914,718	43,561,888	\$104,947,750	\$9,124,399	\$1,052,873			\$34,265,395	
Navy Department.....	1,881,477	832,390							\$144,417,453	
Department of the Interior.....	19,767,500	5,731,765	6,255,208							\$169,150,000
Post Office Department.....		1,530,000								
Department of Agriculture.....	5,999,200									
Department of Commerce.....	3,000	3,013,810	8,628,960							
Department of Labor.....		730,010	3,972,480							
Department of Justice.....		612,880	1,488,332							
Lincoln Memorial Commission.....			600,000							
Public Printer.....			6,340,583							
Commission of Fine Arts.....			7,500							
Judicial.....	147,500	1,232,110	7,402,556							
<i>Independent Offices:</i>										
Smithsonian Institution.....	57,630		831,550							
Interstate Commerce Commission.....			1,695,000							
Board of Mediation and Conciliation.....										
Commission on Industrial Relations.....										
District of Columbia.....	854,700									
	\$131,195,607	\$39,654,710	\$117,744,307	\$4,447,043	\$104,947,750	\$9,124,399	\$1,052,873	\$144,417,453	\$34,265,395	\$169,150,000

OF ORGANIZATION.

Pension Act.	Indian Act.	Agricultural Act.	Postal Act.	District of Columbia Act.	Public Bills.	Total.
						\$1,857,758
						4,956,985
						695,965
						30,394
						210,440
						414,540
						4,972,103
						142,444,047
						290,138
						285,020
						204,215,635
						147,161,220
						211,173,533
						308,803,117
						25,000,582
						15,319,270
						4,763,490
						2,096,212
						600,000
						6,340,683
						7,500
						8,792,466
						879,480
						1,695,000
						50,000
						250,000
						15,345,314
\$169,150,000	\$10,208,865	\$19,061,332	\$306,953,117	\$14,491,514	\$1,935,500	\$1,108,681,777

Table II exhibits a summary from the insider's viewpoint. The details of this viewpoint fill eight hundred and seventy quarto pages in the "Book of Estimates, 1915," and will fill nearly as many more in the "Digest of Appropriations, 1915." This summary has been arranged in columnar form, each column exhibiting the title of an Appropriation Act by Congress. (It should be remembered that all of these figures are "estimates," not final appropriations.) The primary divisions of the government, "legislative," "executive," and "judicial," as well as the subdivisions—departments, establishments, etc.—are set forth in the title column at the left. Our analysis consists in the distribution of items pertaining to each unit of organization to the proper column representing an appropriation act. By this classification, the wide distribution of such items is clearly exhibited and the advantage of some better method of grouping appropriations becomes evident.

TABLE III.

For comparison with the two methods exhibited of expenditure estimates, we provide a classification for revenues, which is self-explanatory in the main. The primary division is into *Special* revenues and *General* revenues. The first is applicable only to special purposes under requirements of law, or to revenues which arise on account of various classes of expenditure. The second consists of revenues which are unrestricted either by requirements of law or of accounting and which are available for the general expenditures of the government under current appropriation acts. The following table sets forth the actual revenues for the last fiscal year (1913) as an illustration of a proper classification of the revenues, by estimates, for the new fiscal year (1915), or for some subsequent year:

TABLE III.

REVENUES (ACTUAL) FOR THE FISCAL YEAR, 1912-13 (AS A BASIS FOR ESTIMATES OF REVENUE FOR 1914-15).

I. SPECIAL REVENUES:

Viz: (a) Revenue reserved by law for special purposes, and also (b) revenues arising on account of special classes of expenditure although not specifically reserved for such purposes by law.

(a)

Revenue of trust funds.....	\$12,085,561
District of Columbia revenues.....	8,070,369
Reclamation fund (sales, fees, etc.).....	3,585,271 (1)
Contributed moneys (rivers, harbors, etc.).....	1,039,308
Navy fines, forfeitures, small stores, etc.....	985,824
National forests fund.....	749,996
Philippine fund.....	308,986
Sales public lands, 2, 3, and 5% funds (States).....	238,890
Night service—customs.....	229,971
Alaska fund.....	205,097
Sales of ordnance material.....	202,432
National forests and Hot Springs Reservation.....	95,250
Sales of timber, sites, products, etc.....	16,788
Forest service co-operative fund.....	6,748
	\$27,821,301

Increments to appropriations:

Panama Canal.....	\$2,377,029
"	1,693,148
	4,070,177
Gain on exchange (Navy).....	18,766
Interest on daily balances (Navy).....	6,290
	\$31,916,534

Total "a".....

Immigration fund (head tax).....	\$4,735,062
Patent fees.....	2,077,102
Counsular and consular court fees.....	1,798,408
Forest service.....	1,716,931
Customs fees, fines, penalties, etc.....	1,590,355
Judicial fees, fines, penalties, etc.....	1,123,950
Fees, etc., Land offices.....	547,000
Reimbursement for advances to Indian funds.....	531,916
Reimbursement for expenses Nat'l Bank Redemption Agency.....	505,735
Recoveries of bullion and expenses on coinage.....	440,810
Naturalization fees.....	390,425
District of Columbia, fees, rents, etc.....	290,031
Navigation fees, fines, penalties etc.....	191,695
Earnings on telegraph and telephone lines.....	186,749
Sale of seal and fox skins, Pribilof Islands.....	151,146
Recoveries, river and harbor frauds.....	127,973
Copyright fees.....	117,100
Depredations on the public lands.....	103,600
Reimbursements for work and costs, various departments.....	84,968
Immigration fines, fees, and penalties.....	72,905
Purchase of discharges, Navy and Marine Corps.....	66,304
Net profits on ships' stores.....	40,294
Passport fees.....	28,384
Copying fees—General Land Office.....	21,162
Maintenance charges, etc., Irrigation systems.....	14,394
Testing fees, Bureau of Standards.....	14,251
Earnings on transports.....	9,755
Forfeitures by contracts.....	8,050
Miscellaneous fees.....	6,368
Miscellaneous refunds and rebates.....	6,254
Game licenses—Alaska.....	4,845
Chinese exclusion, fines, fees, etc.....	2,654
Testing fees—Bureau of Mines.....	2,005
Revenue Crater Lake and Mesa Verde Parks.....	1,399
Revenue Nat'l Training School for Boys.....	813
Internal revenue, fines, fees, etc.....	200
	\$17,010,993

Total "b".....

Total Special Revenues "a" and "b".....

\$48,927,527

II. GENERAL REVENUES:

Viz.: Revenues available for any purposes of the Government which arise from sources not specialized either by law or by corresponding expenditure.

Customs	\$318,891,396	
Less, duties on imports from Philippines (Special)	1,184	
		\$318,890,212
Internal revenue:		
Ordinary	309,410,666	
Less, Philippine revenue (Special)	307,802	
		309,102,864
Corporation tax		35,006,300
Public lands receipts	\$2,910,205	
Less, pledged to special purposes, viz.: / 2, 3, and 5% funds	2,492,607 } 238,890 }	2,731,497
Seigniorage, silver and minor coinage	178,708	
Tax on circulation of National Banks	5,104,338	
Sales of Government property	3,730,059	
Compromise and repurchase of forfeited lands	1,325,167	
Chinese indemnity	648,583	
Rental of public property	644,500	
Unclaimed moneys (Treasury)	268,301	
Interest on public deposits	47,490	
Recoveries of damaged and lost property	34,610	
Interest from Pacific railways	16,987	
Conscience fund, etc.	9,493	
Gain on exchange (State Dept. and Treasury)	3,136	
Assessments on owners for deaths on shipboard	1,206	
Interest on debts due U. S. (various debts)	1,040	
Recovery, principal and interest Louisiana bonds	946	
Miscellaneous	326	
		1,056
		\$675,015,322

SUMMARY.

Special Revenues "a" (By law)	\$31,916,534	
Special Revenues "b" (By expenditure)	17,010,993	
Total		\$48,927,527
General Revenues		675,015,322
Grand Total		\$723,942,849

RECONCILIATION.

Grand total as above	\$723,942,849	
Add: receipts of 1913 not covered into Treasury by warrants in 1912-13 ..	505,971	
Deduct: receipts of previous years covered into Treasury by warrants in 1912-13 ..	\$724,448,820	
Net grand total revenues (excluding postal revenues, which were \$266,619,526)	337,590	
		\$724,111,230 per Secretary of the Treasury's Annual Report.

¹ In addition to this sum there are other receipts into the Reclamation Fund for repayments of water-rights charges, and other sources, amounting to \$2,383,126.

Table IV exhibits the form in which the President of the United States might present to the Congress, at the opening of a session in December, a financial plan for the ensuing fiscal year. Each item would be supported by a detailed schedule:—

TABLE IV.
SUMMARY OF THE NATIONAL BUDGET.

	Estimates for the Fiscal Year, 1915.
SOURCES OF REVENUES.	
Total estimated Revenues, (other than postal revenues)	\$728,000,000
Deduct revenues for special purposes, (Schedule I)	50,000,000
Remainder, Revenues available for general purposes, (Schedule II)	<u><u>\$678,000,000</u></u>
PURPOSES OF EXPENDITURE.	
<i>Fixed Charges.</i> (Schedule III.)	
Viz.: For interest on public debts ¹	\$22,900,000
For sinking-fund ²	60,717,000
For trust funds ³	10,542,730
For special funds ⁴	27,453,277
For refunds, retirements, etc. ⁵	9,252,000
Totals	\$130,865,007
Eliminate sinking-funds ²	<u><u>60,717,000</u></u>
Remainder of fixed charges	<u><u>\$70,148,007</u></u>
Deduct, portion to be provided from special revenues	50,000,000
Remainder, required from general revenues	<u><u>\$20,148,007</u></u>
<i>Summaries.</i>	
General revenues, as above	\$678,000,000
Remainder of fixed charges, as above	20,148,007
Revenue available for current appropriations	<u><u>\$657,851,993</u></u>

ESTIMATES OF CURRENT APPROPRIATIONS.

WAR PURPOSES. (Schedule IV.)	
(a) <i>Operation and Maintenance:</i>	
Viz.: Defense by land, (Military)	\$100,249,712
Defense by sea, (Naval)	98,311,306
Administration: Secretary of War	148,040
Other offices, War Department	1,774,419
Administration: Secretary of the Navy	76,460
Bureaus and other offices, Navy Department	519,880
Operation and maintenance (¶) State, War and Navy Building	188,013
War pensions, retirements, veterans' homes, etc.	<u><u>\$201,267,830</u></u>
Total	<u><u>186,674,527</u></u>
\$387,942,357	
(b) <i>Construction and Improvement:</i>	
Viz.: Fortifications, etc. (Military)	14,379,198
Battleships, etc. (Naval)	42,490,734
Veterans' homes, etc.	25,424
Total War, except "fixed charges"	<u><u>\$444,837,713</u></u>

CIVIL PURPOSES. (Schedule V.)

(a) *Operation and Maintenance:*

Viz.: Commerce, Banking, etc.....	\$26,863,211
National Resources, Agriculture, etc.....	22,634,798
Welfare, Labor, etc.....	20,365,752
Standards, Statistics, etc.....	2,546,895
Patents and copyrights.....	1,626,300
Foreign Affairs.....	3,920,970
General Administration:	
Department of State.....	354,060
" " Interior.....	634,040
" " Agriculture.....	765,988
" " Commerce.....	252,160
" " Labor.....	183,040
Operation and maintenance of public buildings and offices ⁶	94,007
Total.....	\$80,241,221

(b) *Construction and Improvement:*

Improvement of rivers and harbors.....	38,286,080
Panama Canal.....	22,228,760
Lighthouses, etc.....	2,679,700
Other (see detailed schedules).....	5,945,304

Total Civil, except fixed charges.....

\$149,381,065

POSTAL PURPOSES.⁷

Postmaster-General's department.....	\$1,850,000
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GENERAL ADMINISTRATIVE PURPOSES. (Schedule VI.)

(a) *Operation and Maintenance:*

Viz.: Legislative.....	\$6,806,272
Executive, (except above in Civil).....	39,863,756
Judicial.....	6,209,110

Total.....

\$52,969,138

(b) *Construction and Improvement:*

Public buildings and grounds.....	6,302,584
Other.....	395,500

Total general administrative except fixed charges.....

\$59,667,222

LOCAL GOVERNMENT PURPOSES. (Schedule VII.)

(a) *Operation and Maintenance:*

District of Columbia.....	\$10,921,494
Territorial governments, customs, etc.....	625,638

Total.....

\$11,547,132

(b) *Construction and Improvement:*

District of Columbia.....	3,580,521
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Total local government purposes.....

\$15,127,653

GRAND TOTAL ALL PURPOSES.

(Excluding fixed charges, postal service, and sinking fund).....	\$670,863,653
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RECAPITULATION, 1915.

Revenue available for current appropriations.....	\$657,851,993
Estimates of current appropriations	670,863,653
Deficit of estimated revenue (1915)	13,011,666
Panama Canal estimates, if bonds are issued, may be deducted from total current appropriations.....	23,775,155
Surplus of estimated revenue (1915), if bonds are issued to provide for Panama Canal..	\$10,763,489